

SENATE BILL 1292

By Southerland

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 12; Title 55, Chapter 16 and Title 55, Chapter 4, relative to the financial responsibility of persons operating motor vehicles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-4-105(a), is amended by adding the following language as a new subdivision:

(4) Upon the registration of a motor vehicle, the county clerk shall provide to each owner a notice, distributed to the county clerk by the department of revenue, of the requirements of the Tennessee Financial Responsibility Law of 1977, compiled in chapter 12 of this title.

SECTION 2. Tennessee Code Annotated, Section 55-12-139, is amended by deleting subsections (c) and (d) in their entirety and by substituting instead the following:

(c)

(1) It is an offense to fail to provide evidence of financial responsibility pursuant to this section. For the first offense, a violation is a Class B misdemeanor punishable by a fine not in excess of two hundred fifty dollars (\$250).

(2) For a second or subsequent offense within three (3) years of the first offense, a violation is a Class B misdemeanor punishable by a fine not in excess of five hundred dollars (\$500). In addition, for such second or subsequent offense, the motor vehicle shall be impounded pursuant to subsection (e).

(3) An amount from the funds generated by the increased penalties imposed by this subsection (c) shall be earmarked for the use of the department

of revenue to fund administrative costs necessary to provide the notice required by § 55-4-105(a)(4) to county clerks.

(d) The fines imposed by this section shall be in addition to any other fines imposed by this title for any other violation under this title.

SECTION 3. Tennessee Code Annotated, Section 55-12-139, is amended by adding the following language as a new subsection (e) and by redesignating all remaining language accordingly:

(e)

(1) As used in this subsection (e), "impound" means removing a vehicle from a public highway or any parking lot adjacent to a street, alley, highway, or thoroughfare by a uniformed police officer, to the nearest garage or other place of safety or to a garage designated or maintained by a law enforcement agency.

(2) Upon a driver's second or subsequent failure to provide evidence of financial responsibility as requested by an officer in subsection (b) within three (3) years of a first offense, authorized personnel of the appropriate law enforcement agency in any county or municipality of this state shall impound any vehicle operated by the driver at the time of the violation.

(3)

(A) A police department that takes into custody a motor vehicle pursuant to this subsection (e) shall notify within three (3) business days after receiving verification of ownership pursuant to subdivision (e)(3)(D), by registered mail, return receipt requested, the person charged with failure to provide evidence of financial responsibility, the last known registered owner of the motor vehicle and all lienholders of record that the vehicle has been impounded. The notice shall describe the year, make,

model and serial number of the motor vehicle; set forth the location of the facility where the motor vehicle is being held; inform the person so charged, the owner and any lienholders of their right to reclaim the motor vehicle within ten (10) days after the date of the notice, upon payment of all towing, preservation and storage charges resulting from placing the vehicle in custody; and state that the failure of the person so charged, owner or lienholders to exercise their right to reclaim the vehicle within the time provided shall be deemed a waiver by the owner and all lienholders of all right, title and interest in the vehicle and consent to the sale of the motor vehicle at a public auction. On or before ten (10) days after such notice, the person so charged may submit evidence of financial responsibility for such motor vehicle. If the police department is satisfied that the financial responsibility is in effect, upon payment of all towing, preservation and storage charges resulting from placing the vehicle in custody, such person may reclaim such motor vehicle.

(B) In the event there is no response to the notice by registered mail provided for in subdivision (e)(3)(A), then there shall be notice by one (1) publication in one (1) newspaper of general circulation in the area where the motor vehicle was impounded. The notice shall be in a small display ad format, but one (1) advertisement may contain multiple listings of impounded vehicles or other abandoned, immobile, unattended vehicles pursuant to § 55-16-105.

(C) The consequences and effect of failure to reclaim an impounded motor vehicle shall be as set forth in a valid notice given pursuant to this subsection (e).

(D) When an employee of a public agency or a towing company contracting with a public agency takes possession of a vehicle as an impound vehicle pursuant to this subsection (e), an employee of the agency shall verify ownership through the Tennessee information enforcement system (TIES) and shall place information about the person so charged and other ownership information on the towing sheet or form. The agency shall also provide such information to any towing company or garagekeeper with whom the agency has a contract. If a public agency attempts to verify ownership information through the TIES and the response is "Not on File," the agency shall contact the department of revenue title and registration division which shall search records not contained in TIES for the ownership information. If the title and registration division locates ownership information through this search, it shall notify the appropriate public agency and the agency shall distribute the information as provided in this subdivision (e)(3)(D). When any other person takes possession of a vehicle as an impound vehicle pursuant to this subsection (e) the action shall be reported immediately to the division of motor vehicles for verification of ownership on a form prescribed and provided by the registrar of motor vehicles.

(E) In addition to the notification requirements of subdivision (e)(3)(A), any garage keeper or towing firm, which has in its possession an impounded motor vehicle taken into custody by a police department pursuant to this subsection (e), and in whose possession the vehicle was lawfully placed by the police department, shall, within three (3) business days after receiving verification of ownership pursuant to subdivision

(e)(3)(D), provide notice to the person so charged, the last known registered owner of the motor vehicle and all lienholders of record. All notification requirements included in subdivision (e)(3)(A) shall apply to the notice required to be provided by a garagekeeper or towing firm pursuant to this section.

(F) Section 55-16-106 shall govern the disposition of any vehicle impounded pursuant to this subsection (e).

SECTION 4. This act shall take effect July 1, 2011, the public welfare requiring it.